



UNITED STATES MARINE CORPS

MARINE FORCES RESERVE
MARINE FORCES NORTH
2000 OPELOUSAS AVE
NEW ORLEANS, LA 70146-5400

ForO 7040.1

CL

03 Aug 2012

FORCE ORDER 7040.1

From: Commander

To: Distribution List

Subj: MARINE CORPS BIRTHDAY BALL GUIDANCE

Ref: (a) MCO 5760.4C

(b) MCO 7040.11A

(c) MCO P1700.27B

(d) DoDD 5500.7-R, "Joint Ethics Regulation"
November 17, 2011

Encl: (1) Guidance on How to Run a Marine Corps Birthday Ball
(MCBB)

(2) Letter of Intent

(3) Office of Counsel Quantico Ethics Gram of 19 Aug 08

1. Situation. Per the references, local Marine Corps Birthday Ball (MCBB) events are structured into two tiers - the official ceremony and the social portion. Marine Forces Reserve units host dozens of local birthday ball events across the Force. As there are different rules and requirements for each tier, providing clear and effective guidance is paramount to making these events successful.

2. Cancellation. Force Policy Letter 06-10.

3. Mission. To establish guidance regarding the effective organization and execution of local MCBB events. Enclosure (1) is a checklist containing guidance on how to run a local birthday ball. Enclosure (2) is the Letter of Intent template which may be used when discussing birthday ball arrangements and intent with potential venues. Enclosure (3) is an Ethics Gram from The Office of Counsel, Quantico which provides information regarding fiscal and ethical implications associated with MCBB official ceremony and social events that can be applied across the Force.

DISTRIBUTION STATEMENT A: Approved for public release;
distribution is unlimited.

4. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. Celebration of the Marine Corps' rich heritage and traditions annually in the form of our Birthday Balls is a cherished event for our Marines, our Sailors, our civilian Marines, our families, and our special guests. Throughout the world, around and on 10 November, Marine Balls will occur with all the pageantry, pomp, and circumstance that make it one of the most attended military events throughout our military services. The Marine Corps Ball Season is characterized by ongoing planning, coordination, rehearsals, uniform preparation, sword drill, band rehearsals, ball gown selection, and much more. It's an exciting time for all those associated with Marine Balls. Associated with preparation of the Ball is the collection of money for tickets, coordinating the location for the Ball with all the relevant costs, contracting for dinner and refreshments, purchasing decoration, buying keep sakes, contracting with Disk Jockeys and other special functions. Hence, it is important for the leadership of this command to provide guidance to help shape Marine Ball coordination and to ensure fiscal matters are coordinated and executed appropriately to preclude missteps and violations of the relevant regulations. The end state is to execute a professional and fun Marine Corps' Ball - legally, fiscally responsible, and ethically sound. Have fun Marines!

(2) Concept of Operations. The enclosures contain official guidance regarding the effective organization and execution of birthday ball events. It was developed in response to several fiscal issues involving birthday ball events and provides an event checklist for commands and birthday ball committees.

b. Subordinate Element Missions

(1) A representative from the Marine Forces Reserve/Marine Forces North (MARFORRES/MARFORNORTH) Counsel's Office will be invited to all meetings of the New Orleans, Louisiana area birthday ball Tier 1 Official Ceremony Committee as legal advisor.

(2) As only the ceremonial portion of a ball is an official function, Marines will normally not be credited a drill for attending a ball. Credit for a drill could only be earned

in a situation where a birthday ball ceremony, not including any portion of the social event, lasts for four hours or more.

(3) Birthday ball events shall not be planned in conjunction with an offsite drill unless approved by the Executive Director, or in the absence of the Executive Director, the MARFORRES Chief of Staff. Such events demand high level scrutiny and vetting to ensure they are above reproach. Inactive Duty Training (IDT) periods can be accomplished at the Home Training Center (HTC) or within commuting distance from the HTC.

(4) All local Marine Corps Birthday Ball issues including any questions regarding local fundraising should be addressed to the MARFORRES/MARFORNORTH Counsel's Office prior to initiating any action.

5. Administration and Logistics. Not applicable.

6. Command and Signal

a. Command. This Order is applicable to the Marine Forces Reserve and Marine Forces North.

b. Signal. This Order is effective the date signed.

A handwritten signature in black ink, appearing to read 'S. A. Hummer', is centered on the page.

S. A. HUMMER

DISTRIBUTION: C, D

Directives issued by this Headquarters are published and distributed electronically. Electronic versions of the Force directives can be found at:

<http://www.marines.mil/unit/marforres/MFRHQ/G1/Adjutant/G-1%20Adjutant%20Directives/default.aspx>

Guidance on How to Run a Marine Corps Birthday Ball (MCBB)

Recommended References:

- (a) MCO 7040.11A: MCBB Funding (A "MUST READ")
- (b) MCO 5760.4C: Procedures & Support for Non-Federal Entities on Installations & Informal Funds
- (c) MCO P1700.27B: MCCA Policy Manual
- (d) DoDD 5500.7-R: Joint Ethics Regulations
- (e) CL Ethics Gram of 19 Aug 08: MCBB Fundraising & Commercial Sponsorship

MCBB is a two-tiered event: Tier 1 = Official Ceremony; Tier 2 = Social Event

1. PLAN EARLY: Start planning the event no later than 1 May

- ☐ Develop a Tier 1 Official Ceremony MCBB Committee
- ☐ Ensure a volunteer establishes a Tier 2 "MCBB Fundraising Association"
- ☐ Ensure competent personnel are on both the committee & association (planning & budgeting skills)
- ☐ Individuals may be members of both the Tier 1 Committee & the Tier 2 Association

Tier 1

- Can be part of official duties
- Use government equipment & time
- Wear uniform / unit identifiers
- Command has control

Tier 2

- Private Organization (Non-Federal Entity)
- Only in personal capacity
- On liberty or leave time
- No official command assignment
- No credit towards drills or IDT pay/points

2. LOCATION/FOOD/HOTEL:

- ☐ Find and secure locations for the Official Ceremony and Social Event NLT than 1 June
- ☐ Develop a reasonable estimate of the number of Tier 1 & Tier 2 attendees
- ☐ Recommend using an event coordinator – locate off the internet
 - ☐ Only use an event coordinator who provides services at no charge
 - ☐ Event coordinators receive their commissions from the vendors they hire for event (hotel)
 - ☐ Illegal to use Appropriated Funds (APF) to hire an event coordinator
- ☐ Recommend use hotel vice convention center (hotels negotiate terms; hotel rooms help curb drinking & driving)
- ☐ If no event coordinator; negotiate favorable terms with hotel to obtain no-cost ballroom/banquet facility
 - ☐ Use attached Letter of Intent ☐ If ballroom is not "free" contact the Regional Contracting Office
- ☐ Letter of Intent should cover: ☐ hotel rooms; ☐ meals; ☐ use of ballroom/banquet facility; ☐ parking
- ☐ Provide a cash bar only – attendees pay per drink on their own – curbs both cost and excessive drinking

3. HOLDING MCBB ON DRILL WEEKEND:

- ☐ MFR policy prohibits moving drill weekend training to "resort" locations outside HTC local area (such as Las Vegas)
- ☐ If the MCBB is being held in conjunction with a drill weekend, all drill weekend requirements remain in effect
 - ☐ Legitimate drills must be conducted – the Tier 2 Social Event does NOT count as legitimate drill time
 - ☐ Berthing requirements outlined in ForO 11000.4A must be strictly adhered to
- ☐ If the MCBB is being held at an off-site location, submit the request to Counsel for Executive Director approval
- ☐ Do not attempt to game the system to provide unauthorized benefits

4. FUNDING FOR TIER 1 OFFICIAL CEREMONY (MCO 7040.11A)

- ☐ Treat Tier 1 as a PME – it's an official Marine Corps function
- ☐ APF authorized for the following expenses in support of the Official Ceremony
 - ☐ Security ☐ Transportation ☐ Photography of the Official Ceremony
 - ☐ Printing & publications supporting ONLY the Official Ceremony ☐ Audio/Visual for Official Ceremony
- ☐ Illegal to use APF for: ☐ food (including cake); ☐ alcohol; ☐ parking

5. ISSUES RELATED JOINTLY TO THE OFFICIAL CEREMONY AND THE SOCIAL EVENT (MCO 7040.11A)
 - ☐ Invite a General Officer to attend the MCBB as the Guest of Honor (a local GO is preferred)
 - ☐ Illegal to use APF for messing, berthing, transportation of CIVILIAN Guest of Honor or his/her spouse/date
 - ☐ Consider using ticket sales to cover civilian Guest of Honor costs
 - ☐ Recommend against signing contracts. The Letter of Intent is NOT a contract and is non-binding to both sides
 - ☐ MCBB Fundraising Association members and attendees are PERSONALLY LIABLE for the financial obligations of the association: the U.S. Government, including the USMC, CANNOT assume those debts
 - ☐ See Letter of Intent template attached to this checklist
 - ☐ Recommend against guaranteeing hotel rooms; use the Letter of Intent or event coordinator to HOLD rooms
 - ☐ Attendees make their own reservations from the block of held rooms
 - ☐ Establish a cut-off date when the held rooms will be released; include in Letter of Intent

6. FUNDING FOR TIER 2 SOCIAL EVENT – Handled by the MCBB Fundraising Association
 - ☐ Recommend maintaining two-person integrity regarding Tier 2 funds
 - ☐ Develop a budget
 - ☐ Account for ALL income and expenditures
 - ☐ Establish a bank account for the association
 - ☐ Seek favorable bank terms – savings account preferred, interest bearing with no monthly bank fees/charges
 - ☐ Use Cashiers' Checks or Bank Checks made payable to a specific vendor for a specific amount
 - ☐ Determine or develop reasonable estimate for ALL costs prior to setting ticket prices
 - ☐ Reception (hors d'oeuvres) ☐ Food ☐ Service charges ☐ Taxes ☐ Centerpieces
 - ☐ Sign/banner ☐ Bottle opening charges ☐ Champagne ☐ Printing tickets
 - ☐ DJ or Band ☐ Bartender ☐ Cashier ☐ Medical standby ☐ Security detail
 - ☐ Recommend against accepting cash for ticket purchases – require checks to allow for tracking
 - ☐ Deposit incoming checks daily – recommend against storing association checks in unit safe
 - ☐ Cut off ticket sales in time to meet the venue or hotel's requirement for confirmations
 - ☐ Recommend against carrying MCBB funds over from year to year – spend all or use for unit Family Day event
 - ☐ Use insert prepared by Tier 2 association to thank donors as appropriate (insert into Tier 1 Official Program)

7. FUNDRAISING – for Tier 2 Social Event ONLY
 - ☐ Contact Counsel's Office with any questions
 - ☐ The Association may accept donations for the ball in its capacity as a private organization (MCO P5800.16A)
 - ☐ If Tier 2 association fundraises on base it must have permission from Base Commander
 - ☐ Follow requirements of MCO 5760.4C if aboard USMC installation
 - ☐ Illegal to fundraise on official time – individuals must be on leave or liberty and not in uniform
 - ☐ When Tier 2 association is operating off-base, it must obey applicable Federal, state and local laws
 - ☐ MCO P1700.27B prohibits any gambling activity such as raffles
 - ☐ Illegal to use USMC duties as incentives for fundraising (e.g., wear civilian clothes to work if donate)
 - ☐ Fundraising events/sites and any printed materials must have a service disclaimer such as the following
 - "A portion of the proceeds from this event/product go to the Local Marine Birthday Ball association. The U.S. Marine Corps does not endorse this event/product."
 - ☐ Illegal for Association members to use titles, positions or unit/organizational names (XO, Adjutant, MARFORRES)
 - ☐ Illegal for Association members to identify fundraising with a unit or the Marine Corps ("Local Marines" is OK)
 - ☐ Fundraisers cannot wear unit specific or organizational clothing; OK to wear commercially available, generic items that say "Marines" or have generally accepted service-wide designs or phrases

8. ☐ Ensure a turnover file is created that fully documents the event

9. MARFORRES/MARFORNORHT HQ POINTS OF CONTACT
 - ☐ Regional Contracting Office (RCO): (504) 697-8345
 - ☐ Marine Corps Community Services (MCCS) (504) 697-8123
 - ☐ Office of Counsel (CL) (504) 697-8143

LETTER OF INTENT

Post as: 20____ Marine Birthday Ball
Name of the Group: _____ Marine Birthday Ball
Contact:
Sales Person:

Status: Tentative
Today's Date:

Address: Use Non-DoD address
City:
State:

Telephone:

Arrival Date: Day of Week, Month, Day, Year
Departure Date: Day of Week, Month, Day, Year

Hotel

Name
Address, City, State Zip Code
Main phone:

GUEST ROOM COMMITMENT

The Hotel intends to provide, and _____ Marine Birthday Ball intends to utilize _____ room / nights in the pattern set forth below (the "Room Commitment"):

| Date | Day of Week | Standard Rooms | Total Rooms |
|-------------|--------------------|-----------------------|--------------------|
| mm/dd/yyyy | | | |
| mm/dd/yyyy | | | |
| mm/dd/yyyy | | | |
| mm/dd/yyyy | | | |

GUARANTEE POLICY

Guest rooms must be guaranteed for late arrival. Guaranteed reservations are held for one night and not for the entire length of stay. In order to guarantee reservations at the below listed rates, each guest is required to make individual reservations that will be charged to each individual's personal credit card. The cut off date(s) for these reservations are as follows:

CUTOFF DATE

Reservations by attendees must be received on or before Day of Week, Month, Day, Year. At the cutoff date, Hotel will review the reservation pickup for the Event, release the unreserved rooms for general sale, and determine whether it can continue to accept reservations at the _____ Marine Birthday Ball group rate based on a space and-rate available basis after the cutoff date.

METHOD OF GUEST ROOM RESERVATIONS

Guest room reservations for the Event will be made by individual attendees directly with [the Hotel] reservations at _____ or online through dedicated group code. A website link will be sent directly to _____ Marine Birthday Ball from _____ with all the details. Please have guests ask for the _____ Marine Birthday Ball group block when reserving their hotel accommodations.

GROUP ROOM RATES

Hotel's rack rates for Month of 20____ are as follows:

Single: \$.00
Double: \$.00
Triple: \$.00
Quad: \$.00

Based upon _____ Marine Birthday Ball's total program requirements as outlined in this letter, the Hotel intends to offer the following group rates (net of all taxes).

Single: \$.00
Double: \$.00
Triple: \$.00
Quad: \$.00

FUNCTION INFORMATION / EVENT AGENDA

Based on the requirements outlined by _____ Marine Birthday Ball, the Hotel has reserved the function spaces set forth on the below Function Information/Event Agenda

| Date | Day | Start Time | End Time | Function Type | Setup | # People | Function Room |
|-------------|------------|-------------------|-----------------|-----------------------|--------------|-----------------|----------------------|
| mm/dd/yy | | x:xx PM | x:xx PM | Reception | Lounge Style | | |
| mm/dd/yy | | x:xx PM | x:xx AM | Band/Dinner/Dressing | Rounds of 10 | | |
| mm/dd/yy | | x:xx PM | x:xx AM | Dinner/Reception/Band | Rounds of 10 | | |
| mm/dd/yy | | x:xx PM | x:xx AM | Reception/DJ | Lounge Style | | |

All meeting rooms, food and beverage, and related services are subject to _____ % service charge and applicable taxes.

CATERING

The Hotel intends to provide and _____ Marine Birthday Ball intends to utilize _____ typical full dinners during the event. A typical full dinner includes appetizer, entrée with side dish(es), dessert, and non-alcoholic beverages. _____ Marine Birthday Ball understands that Hotel coordinates and provides all catering services for the property.

SPECIAL CONCESSIONS

In consideration for the _____ Marine Birthday Ball intent for the rooms above, the Hotel intends to provide _____ Marine Birthday Ball with the following special concession:

- All hotel guests staying overnight will be guaranteed a parking space at the rate of \$____.00 per night. This concession will be discussed and agreed upon based on conditions and availability at that time.
- Complimentary meeting spaces
- Discounted catering menu
- Allowing _____ Marine Birthday Ball to bring in wine (two (2) bottles per table maximum) for dinner tables without corkage fee.

IMPOSSIBILITY

The performance of this Letter of Intent is subject to early expiration without liability upon the occurrence of any circumstance beyond the control of either party – such as acts of God, war, government regulations, disaster, strikes (except those involving the employees or agents of the party seeking the protection of this clause), civil disorder, or curtailment of transportation facilities – to the extent that such circumstances makes it illegal or impossible to provide or use the Hotel facilities. The ability to force early termination of this Letter of Intent without liability pursuant to this paragraph is conditioned upon delivery of written notice to the other party setting forth the basis for such termination as soon as reasonably practical after learning of such basis.

CHANGES, ADDITIONS, STIPULATIONS, OR LINING OUT

Any changes, additions, stipulations or deletions to this Letter of Intent including corrective lining out by either Hotel or _____ Marine Birthday Ball will not be considered part of the Letter of Intent unless such modifications have been initialed or otherwise agreed to in writing by the other.

BILLING INSTRUCTIONS

Room and Tax: Each individual attendee is responsible to pay for their own guest room, taxes (if applicable) and incidental charges.

DECISION DATE

In order to confirm the parties' intent to these arrangements this document must be signed and returned no later than Day of Week, Month, Day, Year. If this signed Letter of Intent is not received by the above noted due date, the Hotel reserves the right to release all space and rooms being protected for _____ Marine Birthday Ball. At that point all items within this document will be made available for sale to the general public.

EXPIRATION DATE

This Letter of Intent will expire upon the parties establishing a contract for Hotel to host the 20XX _____ Marine Birthday Ball or on Day of Week, Month, Day, Year, whichever comes first.

ACCEPTANCES/ SIGNATURE LINES

Through the signatures below _____ Marine Birthday Ball and the Hotel acknowledge that this Letter of Intent specifies the entire intent between the parties for this event. All spaces as outlined on this document are currently being held on a first option tentative basis until Day of Week, Month, Day, Year. After that date all arrangements would be released for sale to the general public. This Letter of Intent creates no affirmative obligation on behalf of any party. However, it is the intent of the parties to enter into a future contract that reflects the terms contained in this Letter of Intent.

Both signatures indicate acceptance of the contents of this Letter of Intent and the individuals are empowered to place their signature in this regard.

Accepted by Hotel Representative

Company Representative/ Title

Date

Date



UNITED STATES MARINE CORPS
OFFICE OF COUNSEL
MARINE CORPS COMBAT DEVELOPMENT COMMAND
P.O. BOX 1183
QUANTICO, VIRGINIA 22134-5135

7040
C 050/jhv
AUG 19 2008

From: Counsel

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)
FUNDRAISING & COMMERCIAL SPONSORSHIP**

Ref: (a) 5 C.F.R. Part 2635
(b) DOD 5500.7-R (Joint Ethics Regulations)
(c) MCO 7040.11A (Marine Corps Birthday Ball Funding)
(d) MCO P1700.27B (MCCS Policy Manual)

1. Purpose. This Ethics Gram highlights the laws and regulations reflected in the references, among others, regarding fiscal and ethical implications associated with MCBB official ceremony and social events, to include fundraising efforts and commercial sponsorship. The focus of this paper is on paragraph 4.b.(g), Fundraising, of reference (c) which was issued on 4 August 2008. The Office of Counsel, MCCDC/MCB, as the Ethics Counselor for most organizations aboard MCB Quantico, will issue opinions and guidance on MCBB matters consistent with this Ethics Gram.

a. Official Ceremony (tier one). The ceremonial portion of a MCBB is an official function of the U.S. Marine Corps. The official ceremony may be supported with appropriated funds (i.e., O&M funds), subject to the guidance found in reference (c).

b. Social Event (tier two). The social event of a MCBB includes the dinner, refreshments, favors, music, and other social activities. The social event is considered a Marine Corps Community Services (MCCS), Morale, Welfare, and Recreation (MWR) Category A event per reference (d) and therefore may selectively be supported with appropriated and non-appropriated funds within local resources.

2. Fundraising

a. **By Commands.** Commands CANNOT fundraise or secure commercial sponsorship for any purpose, including a MCBB social event, since commands are funded by appropriated funds (APF) and the Anti-Deficiency Act prohibits the augmentation of these funds. While commands CANNOT fundraise or enter into commercial sponsorship agreements, as indicated below, they may officially support fundraising by private organizations/non-federal entities (PO/NFE) in certain cases.

b. **By or With MCCS.** Reference (d) governs fundraising and commercial sponsorship under the auspices of MCCS for MCCS MWR activities.¹ Individual units may hold fundraising events to augment their own MCCS unit funds but may not enter into commercial sponsorship

¹ This section does not apply to PO fundraising (1) on Base independent of MCCS or (2) off base in a PO's private capacity. This section also does not apply to fundraising for charities (e.g. Combined Federal Campaign).

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)
FUNDRAISING & COMMERCIAL SPONSORSHIP**

agreements to augment their unit funds. Commercial sponsorship arrangements are not considered fundraising events, however, they may only be entered into by MCCA. The following rules apply to fundraising (including for a MCBB) done by units to augment their MCCA unit fund accounts:

(1) Who can raise money. Only those eligible to patronize MCCA can solicit or be involved in this type of fundraising.

(2) Who can be solicited. Only those eligible to patronize MCCA can be solicited.

(3) Location. Solicitation for these types of fundraising activities may only occur ON Base.

(4) Objective. Money may be solicited only to pay for the social events portion of a MCBB and must in fact be used for that purpose. The most common example of this is a unit event to raise money to be deposited into their "unit fund" with MCCA to be applied towards that unit's MCBB social events costs.

(5) Fund Accountability. All money raised by or with MCCA must be turned into, and controlled by, the MCCA NAFI for the benefit of the unit.

(6) Duration. These types of fundraising activities must be of a short duration.

c. By Private Organizations (PO)/Non-Federal Entities (NFE)

(1) General guidance. Individual members of a command may fundraise for their MCBB social event by forming a volunteer, unofficial, PO.² Such an organization would be a NFE.³ These organizations would be private and would be treated like any other PO unless otherwise noted. The most common example of this is a unit MCBB "committee" established to raise money to be applied towards that unit's MCBB social events costs. The following rules apply. These rules may have one or both of the following objectives: preventing impropriety itself or preventing the appearance of impropriety. The main issues are the relationships between the command and the committee; whether the unit can officially endorse the committee; and whether the committee can operate on Base.

² PO are social, fraternal, civic, or religious associations or clubs organized, established, controlled, and operated by individuals, some of whom are Federal employees or service members acting outside their official capacity as representatives of the Federal government. PO are not MCCA activities or NAFIs and require installation commander approval to conduct their activities on base, subject to applicable regulation.

³ NFE are self-sustaining, non-federal person(s) or organization(s) (e.g., a PO) organized, established, controlled, and operated by individuals, some of whom are Federal employees or service members acting outside their official capacity as representatives of the Federal government.

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)
FUNDRAISING & COMMERCIAL SPONSORSHIP**

(a) Personal Participation in NFE. Federal employees and service members may participate in NFE in a personal capacity if they act exclusively outside the scope of their official position.

1. Conflict of Interest. To avoid conflict of interests, committee members must not engage in any official activity that involves the committee.

2. Using Title and Positions. Committee members may use their grade and service (e.g., Captain John Smith, USMC) in connection with a MCBB committee but may not use their titles, positions, or organizational names (e.g., Captain John Smith, USMC, Executive Officer, Headquarters Company).

3. Official Sanction. The name, publications, or activities of a PO CANNOT imply the official sanction of the DOD, Marine Corps, or local command. A service disclaimer is recommended for posters, fliers, handouts, and sign-up forms for all committee activities:

"A portion of the proceeds from this [(event)(product)] go to the Birthday Ball Committee. The Federal government, including the Department of Defense and Marine Corps, does not endorse any company, sponsor, or private organization or its products or services."

4. Official Time. Participation in a MCBB committee's fundraising activities CANNOT be done on official time. A command may, however, grant leave or liberty to permit Marines to participate in the committee's fundraising activities.

(b) Official Participation in NFE.

1. Fundraising. Federal employees and service members CANNOT officially endorse or appear to endorse products, events, services, enterprises, or memberships or fundraising drives of any NFE. This means no official participation in fundraising during duty or off-duty hours. An exception to this rule is made for organizations composed primarily of DOD employees or their dependents if (1) fundraising is among their own (2) for the benefit of welfare funds for their own members or dependents, and (3) when approved by the head of the activity after consultation with a designated agency ethics official. In short, this allows units to endorse MCBB committee fundraising efforts on Base, presuming the requisite approvals have been obtained.

2. Logistical Support. Units may provide limited logistical support with APF to properly established MCBB committees, but MCCS is prohibited from providing direct or indirect support to such PO.

(c) Activities on Base. PO, such as a MCBB committee, must request permission from the Base Commander before operating or fundraising on Base and must meet the requirements of the applicable PO regulation (e.g., MCBO 7010.1A). PO may not engage in commercial sponsorship activities on Base. Additionally, since MCCS activities are

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)**
FUNDRAISING & COMMERCIAL SPONSORSHIP

the primary source of resale merchandise and services on Base, PO/NFE CANNOT sell goods or services in direct competition with a MCCS activity unless: (1) the goods and services are directly related to the NAFI or PO; and (2) HQMC (MR) approves the sale based on MCCS being unable to provide the goods or services in a responsive manner.

(d) *Activities off Base.* PO, such as a MCBB committee, must obey applicable Federal, state, and local laws when fundraising or engaging in commercial sponsorship activities off Base. Legal requirements include tax considerations and obtaining requisite permits and insurance.

(e) *Contractual Obligations.*

1. Only warranted Contracting Officers may enter into contracts on behalf of the Marine Corps. Prior to entering into a contract to support the official ceremony associated with a MCBB (i.e., using Unit APF), commands shall contact the Regional Contracting Office or Office of Counsel, MCCDC/MCB. All contracts to support the social events associated with a MCBB (i.

2. The Federal government, DOD, and the Marine Corps are not parties to contracts signed by MCBB committees and other parties, such as hotels and caterers, to support the social events associated with a MCBB. Since MCBB committees are PO, the Federal government, DOD, and Marine Corps are not guarantors of the MCBB committee's contracts, obligations, or conduct. In other words, if a MCBB committee does not or cannot pay its obligations, the Marine Corps CANNOT "step in;" rather, the committee and its officials are personally liable for the debt(s). Thus, MCBB committees CANNOT represent to product and service providers that the committee is part of, or financially backed by, any government entity.

(f) *Bank Accounts.* PO are not NAFI, so they must have their own bank accounts and may not deposit/withdraw money with any MCCS account (e.g., their MCCS unit fund account). All money raised by a PO/NFE to be applied towards a unit's MCBB social event costs must ultimately be donated to MCCS on the condition the money is used for that unit's MCBB under applicable gift regulations and procedures.

3. Examples of Specific Fundraising Activities. Numerous types of money-raisers exist with varying degrees of command, MCCS, and PO/NFE (e.g., a MCBB committee) involvement. Since fundraising activities are limited only by the imagination, not every type can be envisioned. Below are the most common types of activities.⁴ As a reminder, any activity conducted on Base must (1) be approved by the Base Commander if done by a PO/NFE, (2) meet the applicable rules if done by or with MCCS, and (3) be evaluated under the criteria discussed above if the activity involves sales of goods and services affecting MCCS.

⁴Units and MCBB committees should consult the Office of Counsel, MCCDC/MCB with questions regarding the appropriateness of any fundraising activity and to ensure compliance with the requisite regulations regarding such.

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)
FUNDRAISING & COMMERCIAL SPONSORSHIP**

a. **Sports and sports contests.** Examples include golf or basketball tournaments. Generally Permitted.

b. **Selling goods or food.** Generally Permitted.

c. **Receptacle in the work space for voluntary contributions.** Generally Permitted.

d. **Services.** Examples include car washes or haircuts. Generally Permitted.

e. **"Hiring Out" Marines to work for PO during duty hours.** NOT Permitted. First, government employees and service members must use official time in an honest effort to perform official duties. Second, Marines are already being paid for work; "hiring out" would constitute unauthorized double pay.

f. **Gifts**

(1) **Soliciting Gifts.** NOT Permitted. Marines CANNOT, in an official capacity, solicit gifts from private individuals or organizations for the official or social components of a MCBB. MCBB committees, if properly established as a PO, may be able, in certain situations, to solicit gifts.

(2) **Accepting Unsolicited Gifts.** Generally Permitted. Permitted in official or unofficial capacity as long as it is not from a prohibited source and it has been accepted pursuant to applicable gift acceptance regulations and procedures.

g. **Buying your way out of official duties.** NOT Permitted. Commands may not permit Marines to buy their way out of official duties (e.g., allow Marines to wear civilian clothing to work or get out of field day activities in exchange for paying money to a MCBB fund).

h. **Any Gambling Activity.** NOT Permitted. For example, a lottery pool, raffle, or game of chance for money or property.

4. Commercial Sponsorship

a. **Generally.** Commercial sponsorship within the Marine Corps is governed by reference (d), Section 9608. MCCS is authorized to obtain sponsorship for a MCBB conducted in MCCS facilities, or if MCCS facilities are inadequate or unable to meet the need for supporting the specific MCBB, then MCCS is authorized to obtain sponsorship for a MCBB conducted in off-base facilities.

b. **Sponsorship by Defense Contractors⁵**

(1) Because of the potential for an appearance of an organizational conflict of interest, sponsorship by contractors currently doing substantial business (contracts in excess of \$500,000) with the Marine Corps, or who have submitted proposals in response to solicitations with a total value in excess

⁵ It is anticipated that the policy interpretation found in this paragraph will be included in reference (d), Section 9608 in the near future.

Subj: **ETHICS GRAM--MARINE CORPS BIRTHDAY BALL (MCBB)**
FUNDRAISING & COMMERCIAL SPONSORSHIP

of \$500,000, will not be solicited nor will unsolicited sponsorships be accepted. Contractors doing business with other services or agencies within the Department of Defense may be considered only after an analysis of the potential for conflict has been conducted and a negative finding reached and documented.

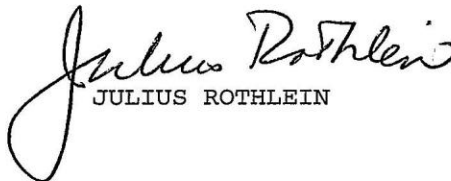
(2) Exceptions.

(a) Sponsorship from a domestic consumer products division of a DoD contractor may be solicited and unsolicited sponsorships accepted;

(b) Marine Corps commands and activities that do not have substantial business relationships with DoD contractors (a contract valued at more than \$500,000 with a contractor) may solicit and accept sponsorships from DoD contractors.

(3) A sponsorship agreement with a DoD contractor shall entitle the contractor to public recognition and advertising rights only with regard to domestic consumer products, and not pertaining to products and services provided to the DoD by the contractor. The commercial sponsor shall certify in writing that its costs of the sponsorship shall not be charged in any part or portion to the Marine Corps.

5. Conclusion. Commands must ensure that the planning and execution of the official ceremonial element and the unofficial social element of a MCBB are done correctly. While fundraising is not a command function and Marines raising money for it are acting in a private capacity, commands and Marines must remember that as members of the Federal government and DOD they remain subject to the laws and regulations summarized above. Commands also need to be aware of the limitations of commercial sponsorship in relation to the MCBB, especially with DOD contractors.


JULIUS ROTHLEIN

DISTRIBUTION: A